

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 1005 – SB 1109**

March 18, 2015

**SUMMARY OF ORIGINAL BILL:** Authorizes Knox County to impose a litigation tax up to \$5.00 on all criminal cases, if approved by two-thirds vote of the county legislative body.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase Local Revenue – \$128,200/Knox County/Permissive

**SUMMARY OF AMENDMENT (004352):** Deletes and rewrites the bill such that the only substantive change is that all proceeds generated from the litigation tax be retained by the court clerk of the fourth circuit.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase Local Revenue – \$128,200/Fourth Circuit Court/Permissive**

Assumptions for the bill as amended:

- This bill is not relevant to state government operations.
- Knox County legislative body approves the litigation tax to be levied.
- Based on historical data from the Knox County Criminal Court Clerk's office, it is estimated that there will be 25,630 annual cases in which litigation taxes will be paid. This number is assumed to remain constant into perpetuity.
- Knox County imposes the maximum authorized \$5.00 litigation tax.
- The permissive and recurring increase in local revenue to Fourth Circuit Court is estimated to be \$128,150 (25,630 x \$5.00)

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "Jeffrey L. Spalding".

Jeffrey L. Spalding, Executive Director

/maf